

Policy 2017



Housing – Building and Construction

Our comprehensive plan

National has a comprehensive housing plan which will see 200,000 homes built over the next six years – that's the equivalent of building four Dunedins. We're pulling every lever possible to get the job done.

We're streamlining planning rules and the RMA, to make it easier for more houses to be built faster. And we've created the \$1b Housing Infrastructure Fund to help councils build the roading and other infrastructure to support new developments.

This is all adding up, and we are now in the biggest residential building boom in New Zealand's history, with prices in many parts of the country either flat or falling.

We're helping first home buyers get through the door by increasing the support we provide them, with HomeStart Grants to provide up to \$30,000 for a couple buying their first home.

And our Government Building Programme will deliver 34,000 new houses over the next ten years on government land.

"National believes everyone who wants to own their own home should be able to – and we're building the houses to allow that to happen."

**– Building and Construction spokesperson
Dr Nick Smith**

Policy highlights

- 200,000 new houses to be built over the next six years – the biggest residential building boom in New Zealand's history
- \$1 billion Housing Infrastructure Fund to get 60,000 houses built faster by helping councils build the roads and water infrastructure needed for new developments
- Changing planning and RMA rules to make it easier to get more houses built faster
- Committed to building over 34,000 social, affordable, and market houses on government land in the next 10 years in Auckland
- More support for first home buyers, with HomeStart Grants providing up to \$30,000 for a deposit on a house – helping 80,000 more first home buyers over the next four years
- Providing Government-backed Welcome Home Loans, which mean many first home buyers need only a 10 per cent deposit
- Allowing first home buyers to draw down on their Kiwisaver funds to help them with a deposit

National is...

Helping build more houses

- Creating 213 Special Housing Areas nationwide to get more houses built faster, expected to result in more than 70,000 houses
- Launching the \$1b Housing Infrastructure Fund – which provides funding for infrastructure for 60,000 houses to be built faster in Tauranga, Auckland, Waikato, Hamilton City, and Queenstown Lakes
- Building 34,000 social, affordable, and market houses on government land in the next 10 years in Auckland
- Helping councils access capital through Crown Infrastructure Partners to roll out much needed infrastructure
- Refocusing the Resource Management Act to deliver simpler consenting, faster planning and better environmental management
- Supporting the new Auckland Unitary Plan, which allows for 420,000 extra houses to be built
- Passing the Point England Development Act – to prioritise housing supply in this part of Auckland over grazing for cows
- Requiring councils to use timely and efficient consenting procedures – helping reduce the proportion of resource consents granted late from 80% to 2%

Building houses on Crown land

- In Auckland earlier this year we announced the Crown Building Project, which will see 34,000 new warm, dry houses replacing 8,300 old, run down state houses
- 20,000 will be a mix of affordable and market housing, with between 20% and 50% priced under \$650,000 and aimed at first home buyers
- The remaining 13,500 of these houses will be new social housing, providing safe, secure, and healthy homes for some of our most vulnerable New Zealanders
- With assistance from our Special Housing Areas, we have seen over 2000 homes completed through our Crown Land programme in Hobsonville, with over 20% affordable



National is...

Supporting first home buyers

- Every New Zealander should be able to buy their own house if they want to, so we have a number of measures to support first home buyers
 - Welcome Home Loans, which allow first home buyers to access Government-backed mortgages with a 10 per cent deposit
 - Kiwisaver FirstHome Withdrawals, which allow New Zealanders to access all of their Kiwisaver funds to put towards a deposit
 - HomeStart Grants, which provide upfront support to first home buyers who are in Kiwisaver to help them get a deposit
- National will increase HomeStart Grants from 1 January 2018, meaning a couple will be eligible for up to \$20,000 for an existing home or \$30,000 for a new build. For individuals, the new rates will be \$10,000 and \$15,000 respectively
- 31,000 first home buyers have accessed Homestart Grants since the scheme began two years ago – and we will help a further 80,000 people over the next four years
- Over \$1.5 billion has been withdrawn from Kiwisaver accounts to help individuals and families get into their first homes.
- In the last two years, lending to first home buyers has increased 10 per cent, while lending to investors has dropped 45 per cent

What does our support mean for first home buyers?



- Take a couple on the average wage in Auckland who have been in KiwiSaver for five years and are looking to buy their first home
- Add in a Government-backed Welcome Home Loan, which means they only need a 10 per cent deposit, and they have enough for a house worth up to \$600,000
- Between the \$20,000 HomeStart Grant and their KiwiSaver withdrawal, they will have around \$60,000 for a deposit for an existing home
- If that couple lived in Palmerston North, they would have enough for a 20 per cent deposit on a \$300,000 house, without the need for a Welcome Home Loan

National is...

Supporting renters

- Insulating over 300,000 homes through the \$500m Warm-Up New Zealand programme and our insulation of 30,000 social houses
- Requiring warmer, dryer and safer rental homes through minimum insulation standards
- Requiring all rental properties to have smoke detectors, and increased electrical safety requirements
- Strengthening the law to ensure landlords who let unsuitable properties like garages or warehouses can be prosecuted
- Introducing clear standards for meth testing and contamination, and making it easier for tenants to end a tenancy if a property has unsafe meth levels.
- Protecting landlords where a tenant intentionally damages a property to ensure they aren't left out of pocket

What we will do next...

- Make it easier for low and middle income New Zealanders to buy their first home by increasing HomeStart Grants for a couple from \$10,000 to \$20,000 for an existing house, or from \$20,000 to \$30,000 for a new house
- Build 34,000 houses through the Crown Building Programme
- Support the faster delivery of 60,000 houses through our \$1b Housing Infrastructure Fund
- Reform urban planning laws, separate from the RMA, to encourage more responsive planning, faster development, and better protection for the environment in our growing cities
- Improve the operation of body corporates to make apartment and townhouse investments more secure
- Provide a new structure for redeveloping existing urban areas based on international experience
- Update building standards systems to encourage competition and innovation
- Provide web based access to standards to minimise cost and increase accessibility